C.F. 71 & 72.

1932.

Department of L.R.Sett

OFFICE Pol. of Gov

STATION Madras.

Mis. No. 2388.

K. 1355.

Dated 15 — 8.

To whom sent	Date / Initial
	Given for copying
	Copied
	Examined
	Signed
	Given for despatch
	Despatched
	Indexed
Pages in the file	To be destroyed on*

DESPATCHED 11 AUG 1932

(SUBJECT.)

Mining leases - Manganese - (Ordinary) - Proposed R. - Forest reserve - Remission of dead-rent - Appeal - Lease to Mr. Erskine Jones - Rs. 6 Crores -

Not to be filled in in the case of permanent records.

1

K 1355 Rs 2 2 annas.

Ref.C.No. 3600/32A-1. Bellary Collector's Office, Dated 13th July 1932.

Forwarded.

p1 of (P)

2. The Board was addressed in this office Ref.C.403 dated 23-1-31 to suspend Part (IV) VII, para 3 and Parts V (X) and VI of the lease granted to Mr.Abdul Hye until further notice from the party within a limit of two years.

(X) pp 133-138 of the running remark
*. p 139 of -do-

(P) In its reply the Board in B.P.Mis. 570 dated 16-2-1931 approved the Collector's proposal to suspend the leas for a period of two years. The lessee was informed of this in the terms of the Collector's reference to the Board. I enclose a copy of the intimation R.C.403/31 dated 1-3-31.

p3 of

(M) 3. In a similar case of the "Mysore Devolepment Syndicate" the Board stated in its B.P.No.Mis.3697 dated 20-11-1931 that the rules did not permit the suspension of dead rent and that the only concession that could be granted was suspension of the working of the mine provided the company paid the dead rent regularly. As this was considered to be in conflict with the orders in B.P.Mis. 570 dated 16-2-1931 the Board was asked in this office Ref.C. 3837/31 dated 9-12-1931 to reconsider its decision on Abdul Hye's precedent. The Board finally said in its B.P.No.Mis. 4118 dated 23-12-1931 that it authorised in B.P.Mis. 570 dated 16-2-1931 only the suspension of the working of the area granted on lease and that dead rent should be collected. The lessee was accordingly informed on 7-1-32. He appealed to the Board against this order and his appeal was dismissed in B.P.No. Mis. 1182 dated 14-4-1932.

(P)

p1 of (Z) 4118 Mis 23-12-31.

(Z)

(P)

(W) 4. Petitioner might have paid the rent earlier if he had not been told on 1-3-31 that Parts V and VI of the lease had been suspended. I therefore recommend some consideration for him by remitting some part of the interest.

5. All the mines in the district have closed. There

3

C.F. 34—12-9-28

PROCEEDINGS OF THE Collector of Bellary.
MEMORANDUM

*Post Box No.*_____ *Telegraphic Address*_____

Name A.M.A.C. Galletti Esqr. M.A., I.C.S.,

Ref. C. *No.* 405/31 *dated* 1st March 1932.

Short title Mining - Manganese - Hospet Taluk - Gundu reserv suspension of lease - application of Khan

READ—the following:—Sahib K. Abdul Hye Sahib - orders passed.

Ref:- B.P. No.Mis.570 dated 16-2-31.

Order.

The Board is pleased to suspend for a period of two years Part VII - paragraph 3 and parts V & VI of the mining lease of Gundu Reserve granted to Khan Sanib K. Abdul Hye Sanib Bahadur.

2. The lessee is informed that if he does not resume mining operations witnin the period, action will oe taken to cancel the lease.

To Janab Khan Sahib
K. Abdul Hye Sahib Bahadur
Cowl Bazar, Bellary

Sd/- A.M.A.C. Galletti,
1-3-32.

(True Copy)

Richmond
C Rector
15-7-32

4
15.7.32

COURT FEE
K. Abdul Hye Esqr
3-7-32
Received
ONE RUPEE

COURT FEE
K. Abdul Hye Esq
3-7-32
Received
ONE RUPEE

COLLECTOR'S OFFICE
Reg. No.
3 - JUL 1932
BELLARY

5

Bellary,
dated the 15th June
1932.

From:

Khan Saheb K.Abdul Hye Ex M.L.C
Proprietor,
The Bellary Manganese Mining Co.,
B E L L A R Y.

To :

The Secretary to Government,
Revenue Department,
Government of Madras,
O O T A C A M U N D.
Through The District Collector,
B E L L A R Y

Sir,

I am the lessee of the Gunda Manganese mine in Hospet taluk of the Bellary district, covering an area of 1503 acres. The lease was granted on the 20th January 1927.

On account of the unfavourable character of the mining market, my firm was not able to work the mine satisfactorily. I have till now spent an enormous amount in trying to bring the mine into a working order.

The mining industry is in a most unsatisfactory condition on account of the old world economic depression, and many important Iron, Steel, manufacturers have clo... ... concerns in Europe. To add to this trouble there is the competition by Russia which is supplying Manganese all over Europe, and India is unable to stand the competition. For the last six years the enterprise is in a state of collapse. Even in the Central Provinces, where Manganese enterprise was in a most flourishing condition, the biggest mine owners have closed down their mines. The present state of things is such that

P.T.O

even European firms, having direct dealings with European market in the matter of selling their Manganese, are obliged to shut down their mining operations to a very large extent. Apart from the closure of the mines, huge stocks of Manganese are lying unsold all over the country, and it is impossible , as some experts have held, even to recover half the capital spent in producing the ore.

In the above circumstances, my firm petitioned to the District Collector of Bellary, on 21-10-1930 explaining the several difficulties under which the company was suffering, and requested him to refund the dead rent already paid, and to excuse further recovery of the same for some time to come. The Collector in his letter No. 6469/30, dated 26-12-30, informed me that it was not possible to refund the dead rent, but in the present state of depression, he would recommend to the Hon'ble the Board of Revenue for the suspension of the lease, and during the period of suspension, not to levy the dead rent. I agreed to the kind suggestion of the Collector, and submitted a petition accordingly. The Collector subsequently informed me in his letter No. 403/31, dated 1-3-1931, that the Board was pleased to suspend for a period of two years some of the conditions of the lease. The said letter of the Collector gave all the implied meaning that I was exempted from the payment of dead rent during the period of suspension.

Copy at p 3 of.

After some time the Collector again wrote to say in his No. C. 3837, dated 7-1-1932 that the Board in B.P.Mis. 4118, dated 23-12-31, stated that the orders issued in its proceedings Mis. 570, dated 16-2-31, authorised only the suspension of the working of the area, and that dead rent should be collected from me.

(Z)
(P)

This letter of the Collector was nothing short of a shock to me in view of the present depressed condition of the trade. This was contrary to the first decision of the Hon'ble

Board to suspend the lease for a period of two years, and to waive off the dead rent during the period of suspension.

I respectfully venture to submit that this second order of the Hon'ble Board is some what ungenerous, in view of the fact that I have already paid to Government about Rs. 6750/ by way of dead rent, besides putting a huge outlay in developing the mine, and I have not sold even an ounce of Manganese from this area over since I took over the lease. Prior to the grant of the lease, I have paid a further sum of Rs. 1500/ for two years when I was holding only a prospecting licence. All these years have gone in simply developing the mine, and not a single piece was sold and money realised.

As compared with the Manganese of the Central Provinces and else where, the quality of the ore found in this mine is very inferior, and unsalable as the percentage of Manganese is far below 35%. Such ores are properly termed 'Manganiferous Iron ores' rather than Manganese ores. The dead rent fixed at Rupee one, an acre is unduly heavy. This would not be felt if there was a boom in the mining market.

Where there is failure of crops, whether by natural causes or otherwise, the Government have always been generous to grant either suspension or remission to the ryot. The Government have also recognised that the prosperity and happiness of the ryot, the peasant and the land owning classes is very dear to their heart.

On all these considerations I again appealed to the Hon'ble the Board on the 23rd March 1932, requesting the Board to reconsider my case.

The Board has now been pleased to dismiss my appeal, and I thought the only course left to me was to approach you for redress and hence this appeal to Government. The order of the Board (certified copy in original) is herewith enclosed duly stamped.

(W) PS 1182 Mis 14.4.32 p 13 ef.

P.T.O

I further understand that a similar case relating to the Mysore Development Syndicate. owners of the Tummurguddi Manganese mine in Bellary district, is being considered by the Government. My case is also similar to theirs, if not more strong. They have at least sold large quantities of Manganese during the past years from Tummurguddi mines. I have simply spent money not selling even an ounce of the mineral, and have paid dead rents all along without the least benefit.

Has been finally disposed of vide G.O. cited p 29 of RR 2084 res 11-7-32

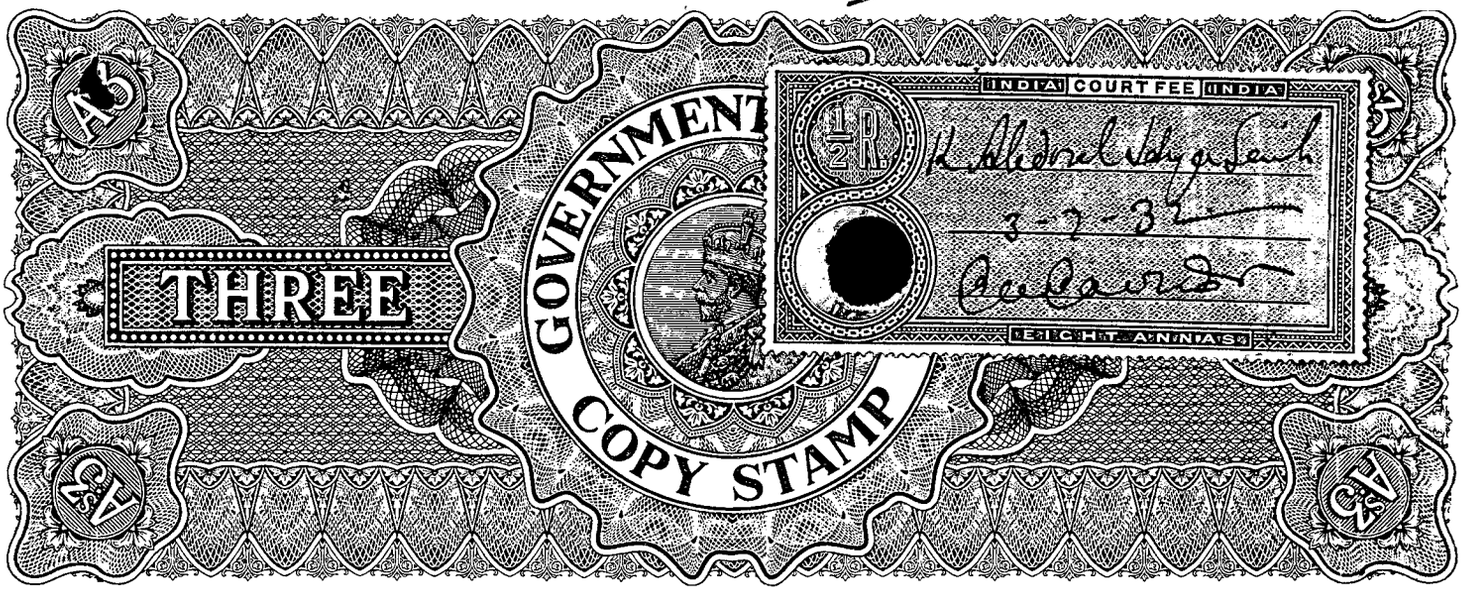
(U)

In conclusion, I beg to submit that I have got every hope that I will not fail to get justice at your hands, and the dead rent will be waived off in view of the circumstances explained above.

I beg to remain

Sir,

our most obedient servant,



Proceedings of the Board of Revenue, Land Revenue and Settlement, Madras.

C. A. Souter Esquire, I.C.S., Commissioner of Land Rev. & Settlement

B.P. Misc. No 1182 dated 14th April 1932

Petition from Khan Sahib K. Abdul Hye Sahebs, Proprietor The Bellary manganese Mining Co., Bellary dated 10.2.1932.

Petition from Khan Sahib K. Abdul Hye Sahebs, Proprietor, The Bellary Manganese Mining Co., Bellary dated 23.3.1932

Resolution:— Mining lease – Manganese – (Bellary) Hospet Taluk – Gunda reserve – Remission or suspension of dead rent – Khan Sahib Abdul Hye Sahib – petition dismissed.

Dead rent can neither be remitted nor can its collection be suspended. The Board sees no reason to reconsider the orders already issued in the matter. The petition is dismissed.

[True Extract] (sd). K. Raman Nayar
Assistant Secretary

To Khan Sahib Abdul Hye Sahib
Proprietor, The Bellary Manganese Mining Co., Bellary

Copy to the Collector of Bellary.

Forwarded

(By order)

(sd). G. Gopal Rao
Superintendent.
16.4.32

True Copy

P. V. Subba Rao 14/7/32
Treasury Deputy Collector

14

3-7-32

Received

Copied By S. Hanumantha Rao

Compared By [signature] 11/7/32

No of words 127

No of corrections nil

Abl No 49 date of receipt 4/11.7.32

Fair copy ready 11.7.32

Date of dispatch /-do-

Copy of letter from Khan Saheb K. Abdul Hye, Ex-M.L.C., Proprietor, The Bellary Manganese Mining Co., Bellary, to the Secretary to Government, Revenue Department, dated the 15th June 1932.

I am the lessee of the Gunda Manganese mine in Hospet taluk of the Bellary district, covering an area of 1503 acres. The lease was granted on the 20th January 1927.

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The mining industry is in a most unsatisfactory condition on account of the world's economic depression, and many important Iron, Steel, manufacturers have closed their concerns in Europe. To add to this trouble there is the competition by Russia which is supplying Manganese all over Europe, and India is unable to stand the competition. For the last six years the enterprise is in a state of collapse. Even in the Central Provinces, where Manganese enterprise was in a most flourishing condition, the biggest mine owners have closed down their mines. The present state of things is such that

Board to suspend the lease for a period of two years, and to waive off the dead rent during the period of suspension.

I respectfully venture to submit that this second order of the Hon'ble Board is some what ungenerous, in view of the fact that I have already paid to Government about Rs.8,750/- by ~~kh~~ way of dead rent, besides putting a huge outlay in developing the mine, and I have not sold even an ounce of Manganese from this area ever since I took over the lease. Prior to the grant of the lease, I have paid a further sum of Rs.1,500/- for two years when I was holding only a prospecting licence. All these years have gone in simply developing the mine, and not a single piece was sold and money realised.

As compared with the Manganese of the Central Provinces and else where, the quality of the ore found in this mine is very inferior, and unsalable as the percentage of Manganese is far below 35%. Such ores are properly termed 'Manganiferous Iron ores' rather than Manganese ores. The dead rent fixed at Rupee one, an acre is unduly heavy. This would not be felt if there was a boom in the mining market

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P.T.O.

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In conclusion, I beg to submit that I have go every hope that I will not fail to get justice at your hands, and the dead rent will be waived off in view of the circumstances explained above.

25

R. F. XXII-A-19—30,004—2-2-31(6)

FOR MEMBER.

Subject. Mining leases - Manganese - (Bellary) - Hospet Tk - Gundu reserve - Remission of dead-rent - Appeal petn - Abdul Hye Mr - Orders passed Rejected - G.O. Commd.

READ AGAIN B. P. No. _____ ,dated _____ 193

" " " _____ , " _____ 193

READ ALSO :--

Register No. K. 1353 / K. 1416 | 32 From the Govt to Coll / A. to Coll to pet, No. _____ , dated _____ 193

" " _____ , " " _____ , _____ , " _____ 193

" " _____ , " " _____ " " _____ , " _____ 193

RESOLUTION. Mis. No. 2388 dated 10. 8. 193 2

Issue
10-8-32

Communicated to the Coll of Bellary

2/ The Coll is informed that his recommendation to remit a part of the interest due from the pet cannot be accepted

3/ Khan Saheb K. Abdul Hye is returned to the Collector of Bellary for orders on his petition to Govt

9/8/32 9.8.32 9/8/32

Coll of Bellary
The pet (para 3 only)
address at p 5 c

MD 2

S

A.S (Sett)

Note file

Mining leases - Manganese (Bellary) - Hospet Tk - Gunda reserve - Remission or suspension of dead rent - Khan Sahib Abdul Hye Sahib - Petition to Govt.

lr. 1355/32 ..... ppl-2 cf.

To A.S. (Sett).

Pl. see the appeal petition to Govt at pp. 5-11 cf and the Collr's forwarding remarks at pp 1-2 cf.

2 The petr requests that the collection of dead rent may be waived. The Collr recommends that some consideration maybe shown to the petr by remitting some part of the interest. He has not reported what is the amount due as interest and portion that is recommended is to be remitted.

3 As regards the petr's request that the collection of dead rent remitted attention is w... notes at pp. 4-5 N.F. of (M) and 2-4 N.F. of (Z). It has been noted therein that the rules do not permit the remission or suspension of dead rent which has to be collected whether the

p1 cf.

Mis 3697/20-11-31

Mis 4118/23-12-31.

Fit up for another file.

the mine is worked or not. The case of the Mysore Gold Syndicate referred to by the pet^{rs} has been purely of a local character by the Govt. Mysore. Refused the request of the Syndicate on the ground that there is no authority for the remission to remit or suspend payment of dead rent &c.

As regards the recommendation for the remission or suspension of the interest on the cess/ it is submitted as follows:- The orders in the B.P. at (P) were not properly understood by the cess^{rs}. The intimated the pet^{rs} that para 3 by para VII & 3 of para V & VI of the lease deed were suspended. The pet^{rs} naturally took it to mean that payment of dead-rent was also suspended. In the circumstances it appears reasonable to remit a portion of the interest on the dead rent as recommended by the Cess^{rs}. If the Board agrees with the Cess^{rs} the question for consideration is about the amount of interest that has to be remitted. The pet^{rs} should have paid the dead-rent due for the half-year which ended prior to 1.3.31 i.e. the date of the Cess's original order. That order was revised on 7.1.32. During the intervening period of nearly 10 months only one half year would have been completed. The interest on the dead rent due

for one half year - for a period of 10 months will have to be remitted. This may perhaps be pointed out to the Collr and he may be asked to report the amount of interest before the petn is subd to Govt.

For orders.

25/7/32.

Ku The Memo in the matter was received in yesterdays Dak. Pl revise your note.

28.7.32

To A.S. (Sett).

Pl see the G.C. at p. 15 cf and copy of petn annexed to it pp 17-23 cf.

It appears that the petn was subd to Govt during June - A copy, however, appears to have been subd thro' the Collr as an after thought in July. It was rec'd in the Collr's office on 3.7.32 - vide the seal at p 5 cf. Govt have passed orders on the petn subd hence direct - vide G.C. at p 15 cf. It appears unnecessary to consider now the question of reduction in the only interest which has been raised by Collr. It may be convenient if the petn moves for the reduction of interest the matter of same. The G.C. may be communi-

to the Coll^r = and the Let^r = referred to him for orders.

The Let^r has affixed stamps to the pet^n and the enclosure. Pet^ns addressed to Govt. need not be stamped further, as it is ~~not proposed~~ unnecessary to submit the pet^n to Govt. it appears that the stamps may be punched and the pet^n given a refund certificate.

For orders.

SS 27.7.32 Sd 29.7.32

To action if req^d. The peln should be forwd. to Govt. Comes up this Collt.

KL 5.8.32

S/ M2. The peln had sent a peln direct to Govt. They have rejected his request.

He sent up a Copy of Govt. thro Coll. It has now reached the Bd. The Coll. recommends that the interest due on the amount of dead rent may not be recovered. There is no rule to excuse interest & it seems to be a matter of discretion with the Govt., as payment of interest is provided for in the lease deed.

SECY. JU 1932

The Q. may be

Comd. the Coll. & the peln rejd to the Coll. for order. The Coll. may in my opn that the req^t to remit interest cannot be accepted.

KL 6.832

5.8.32.